

**SELF-FUNDED HEALTH PLANS
1st Quarter 2008 Results**

Gain/Loss by Plan (\$000)

Plan	2006 Year	2007 Year	1st Quarter 2007	1st Quarter 2008
Care Basic	\$10,112	\$26,166	\$1,828	\$444
Care Supplemental	(\$8,684)	(\$6,558)	(\$4,050)	(\$2,150)
Choice Basic	\$18,221	\$65,804	\$11,299	\$20,527
Choice Supplemental	(\$139)	\$1,986	(\$2,697)	(\$1,522)
Select Basic	N/A	N/A	N/A	(\$218)
Select Supplemental	N/A	N/A	N/A	(\$43)
All Plans	\$19,510	\$87,398	\$6,380	\$17,038

Incurred Loss Ratio

	2006 Year	2007 Year	1st Quarter 2007	1st Quarter 2008
Care Basic	94%	85%	96%	99%
Care Supplemental	104%	103%	107%	103%
Choice Basic	98%	93%	95%	91%
Choice Supplemental	100%	98%	110%	103%
Select Basic	N/A	N/A	N/A	93%
Select Supplemental	N/A	N/A	N/A	113%
All Plans	98%	94%	98%	95%

Incurred loss ratios illustrate each plan's operating margin. A 100% ratio is equal to break-even. Values above 100% indicate a premium loss.

Rolling 12 Month Trend

MEDICAL

	2006 Year	2007 Year	1st Quarter 2007	1st Quarter 2008
Care Basic	4.9%	9.2%	4.7%	10.4%
Care Supplemental	4.2%	7.7%	2.7%	5.8%
Choice Basic	9.8%	10.1%	8.0%	10.3%
Choice Supplemental	4.1%	6.6%	-0.8%	7.2%
Select Basic	N/A	N/A	N/A	N/A
Select Supplemental	N/A	N/A	N/A	N/A

PHARMACY

	2006 Year	2007 Year	1st Quarter 2007	1st Quarter 2008
Care Basic	8.9%	0.2%	5.7%	2.6%
Care Supplemental	8.6%	1.2%	5.5%	3.0%
Choice Basic	9.4%	4.9%	7.5%	5.4%
Choice Supplemental	5.3%	0.1%	1.0%	2.8%
Select Basic	N/A	N/A	N/A	N/A
Select Supplemental	N/A	N/A	N/A	N/A

12 month trends illustrate the movement that has occurred during the preceeding twelve months.

**SELF- FUNDED HEALTH PLANS
PER-MEMBER PER-MONTH COSTS
as of March 31, 2008**

*** Medical Claims per Member per Month**

	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp
1st Quarter 2007	\$428.13	\$164.56	\$233.71	\$126.52	N/A	N/A
2nd Quarter 2007	\$448.09	\$136.33	\$256.34	\$108.23	N/A	N/A
3rd Quarter 2007	\$467.26	\$138.77	\$255.87	\$106.10	N/A	N/A
4th Quarter 2007	\$475.11	\$127.95	\$275.71	\$100.97	N/A	N/A
1st Quarter 2008	\$481.27	\$174.60	\$260.54	\$136.20	\$298.84	\$128.63

*** Pharmacy Claims per Member per Month**

	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp
1st Quarter 2007	\$137.62	\$207.01	\$76.17	\$192.52	N/A	N/A
2nd Quarter 2007	\$134.52	\$210.49	\$77.45	\$196.05	N/A	N/A
3rd Quarter 2007	\$137.62	\$210.21	\$76.70	\$195.47	N/A	N/A
4th Quarter 2007	\$137.94	\$214.48	\$78.45	\$195.66	N/A	N/A
1st Quarter 2008	\$145.54	\$220.86	\$80.50	\$203.52	\$50.18	\$198.46

***Total Claims per Member per Month**

	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp
1st Quarter 2007	\$565.75	\$371.57	\$309.87	\$319.03	N/A	N/A
2nd Quarter 2007	\$582.60	\$346.81	\$333.79	\$304.28	N/A	N/A
3rd Quarter 2007	\$604.89	\$348.98	\$332.57	\$301.57	N/A	N/A
4th Quarter 2007	\$613.05	\$342.44	\$354.16	\$296.63	N/A	N/A
1st Quarter 2008	\$626.81	\$395.46	\$341.04	\$339.72	\$349.02	\$327.09

* Prior quarters are updated for each report as actual claims runoff is realized.

* Pharmacy costs exclude rebates.

**Financial Values By Plan
Self-Funded Health Program
as of March 31, 2008**

line	Basic	PERS Care Supp	Total
1 Actuarial Assets 12/31/2007	\$139,151,969	\$118,849,692	\$258,001,661
2 Asset Change 1st Q 2008	<u>\$1,188,898</u>	<u>\$3,105,506</u>	<u>\$4,294,403</u>
3 Actuarial Assets 03/31/08	\$140,340,867	\$121,955,198	\$262,296,064
4 Actuarial Reserve 12/31/07	\$46,121,000	\$54,798,000	\$100,919,000
5 Actuarial Reserve 03/31/08	\$45,151,000	\$58,729,000	\$103,880,000
6 Assets Less Reserves 03/31/08	\$95,189,867	\$63,226,198	\$158,416,064
		PERS Choice	
	Basic	Supp	Total
7 Actuarial Assets 12/31/2007	\$393,587,319	\$39,420,530	\$433,007,849
8 Asset Change 1st Q 2008	<u>\$46,753,862</u>	<u>\$2,981,253</u>	<u>\$49,735,115</u>
9 Actuarial Assets 03/31/08	\$440,341,181	\$42,401,783	\$482,742,964
10 Actuarial Reserve 12/31/07	\$230,230,000	\$26,826,000	\$257,056,000
11 Actuarial Reserve 03/31/08	\$246,489,000	\$28,615,000	\$275,104,000
12 Assets Less Reserves 03/31/08	\$193,852,181	\$13,786,783	\$207,638,964
		PERS Select	
	Basic	Supp	Total
13 Actuarial Assets 12/31/2007	\$0	\$0	\$0
14 Asset Change 1st Q 2008	<u>\$2,321,064</u>	<u>\$13,599</u>	<u>\$2,334,663</u>
15 Actuarial Assets 03/31/08	\$2,321,064	\$13,599	\$2,334,663
16 Actuarial Reserve 12/31/07	\$0	\$0	\$0
17 Actuarial Reserve 03/31/08	\$4,215,000	\$92,000	\$4,307,000
18 Assets Less Reserves 03/31/08	(\$1,893,936)	(\$78,401)	(\$1,972,337)
		Total Program	
	Basic	Supp	Total
19 Actuarial Assets 12/31/2007	\$532,739,288	\$158,270,222	\$691,009,510
20 Asset Change 1st Q 2008	<u>\$50,263,824</u>	<u>\$6,100,358</u>	<u>\$56,364,181</u>
21 Actuarial Assets 03/31/08	\$583,003,112	\$164,370,580	<u>\$747,373,691</u>
22 Actuarial Reserve 12/31/07	\$276,351,000	\$81,624,000	\$357,975,000
23 Actuarial Reserve 03/31/08	\$295,855,000	\$87,436,000	<u>\$383,291,000</u>
24 Assets Less Reserves 03/31/08	\$287,148,112	\$76,934,580	<u>\$364,082,691</u>

**Self-Funded Health Plans
Relationship of Plan Assets to the Actuarial Reserve*
as of March 31, 2008**

	Basic	PERS Care Supp	Total
Assets 03/31/2008	\$140,340,867	\$121,955,198	\$262,296,064
Actuarial Reserve 03/31/2008	\$45,151,000	\$58,729,000	\$103,880,000
Assets Above Actuarial Reserve	\$95,189,867	\$63,226,198	\$158,416,064
Ratio of Assets to the Actuarial Reserve	311%	208%	252%

	Basic	PERS Choice Supp	Total
Assets 03/31/2008	\$440,341,181	\$42,401,783	\$482,742,964
Actuarial Reserve 03/31/2008	\$246,489,000	\$28,615,000	\$275,104,000
Assets Above Actuarial Reserve	\$193,852,181	\$13,786,783	\$207,638,964
Ratio of Assets to the Actuarial Reserve	179%	148%	175%

	Basic	PERS Select Supp	Total
Assets 03/31/2008	\$2,321,064	\$13,599	\$2,334,663
Actuarial Reserve 03/31/2008	\$4,215,000	\$92,000	\$4,307,000
Assets Above Actuarial Reserve	(\$1,893,936)	(\$78,401)	(\$1,972,337)
Ratio of Assets to the Actuarial Reserve	55%	15%	54%

	Total Self-Funded Program		Total
	Basic	Supp	
Assets 03/31/2008	\$583,003,112	\$164,370,580	\$747,373,691
Actuarial Reserve 03/31/2008	\$295,855,000	\$87,436,000	\$383,291,000
Assets Above Actuarial Reserve	\$287,148,112	\$76,934,580	\$364,082,691
Ratio of Assets to the Actuarial Reserve	197%	188%	195%

* The Actuarial Reserve equals the Incurred But Not Reported (IBNR) reserve (without a contingency load) plus the Risk Based Capital Reserve (RBC) set at a 300% level.

**Self-Funded Health Plans
Enrollment Comparison for 2007 and 2008
as of March 31, 2008**

Membership for 2007:

Members	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp	Total
Jan-07	22,349	51,403	208,535	26,994	0	0	309,281
Feb-07	22,173	51,300	205,708	27,339	0	0	306,520
Mar-07	21,996	51,193	208,754	27,584	0	0	309,527
Apr-07	21,898	51,105	208,843	27,830	0	0	309,676
May-07	21,826	51,008	205,487	28,020	0	0	306,341
Jun-07	21,690	50,891	205,818	28,229	0	0	306,628
Jul-07	21,503	50,880	206,323	28,539	0	0	307,245
Aug-07	21,350	50,809	206,761	28,831	0	0	307,751
Sep-07	21,297	50,755	207,421	29,129	0	0	308,602
Oct-07	21,215	50,684	207,642	29,459	0	0	309,000
Nov-07	21,114	50,578	207,967	29,795	0	0	309,454
Dec-07	21,046	50,501	207,924	30,096	0	0	309,567

Membership for 2008:

Members	Care Basic	Care Supp	Choice Basic	Choice Supp	Select Basic	Select Supp	Total
Jan-08	20,678	50,771	215,472	31,307	3,505	74	321,807
Feb-08	20,487	50,636	214,593	31,531	3,762	75	321,084
Mar-08	20,319	50,544	213,948	31,819	3,960	79	320,669
Apr-08							
May-08							
Jun-08							
Jul-08							
Aug-08							
Sep-08							
Oct-08							
Nov-08							
Dec-08							